

1
2 UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

3 -----X
FRONTIER AIRLINES, INC.,

4
5 PLAINTIFF,

6 - against -

Case No.:

1:20-cv-09713-LLS

7
8 AMCK AVIATION HOLDINGS IRELAND LIMITED,
9 ACCIPITER INVESTMENT 4 LIMITED, VERMILLION
AVIATION (TWO) LIMITED, WELLS FARGO TRUST
COMPANY, N.A., solely in its capacity as
10 OWNER TRUSTEE, and UMB BANK, N.A., solely
in its capacity as OWNER TRUSTEE,

11 DEFENDANTS.

12 -----X
13

14 DATE: March 21, 2022

15 TIME: 10:34 A.M.
16
17

18 VIDEOTAPED HYBRID DEPOSITION of
19 the Defendant, RONAN MURPHY, taken by the
20 Plaintiff, pursuant to a Subpoena and to
21 the Federal Rules of Civil Procedure, held
22 remotely, at all parties' locations, before
23 Karyn Chiusano, a Notary Public of the
24 State of New York.
25

A P P E A R A N C E S:

LANE POWELL, P.C.

Attorneys for the Plaintiff

FRONTIER AIRLINES, INC.

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Portland, Oregon 97204-3158

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Attorneys for the Defendants

AMCK AVIATION HOLDINGS IRELAND LIMITED,

ACCIPITER INVESTMENT 4 LIMITED,

VERMILLION AVIATION (TWO) LIMITED, WELLS

FARGO TRUST COMPANY, N.A., solely in its

capacity as OWNER TRUSTEE, and UMB BANK,

N.A., solely in its capacity as

OWNER TRUSTEE

31 West 52nd Street

New York, New York 10019

BY: JOHN P. ALEXANDER, ESQ.

ALSO PRESENT:

JONATHAN DiFILLIPO, Videographer

AARON SCHAER, ESQ., Lane Powell, P.C.

DARCY DEIBELE, Lane Powell, P.C.

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OPENING STATEMENTS

from Clifford Chance, for the
Defendants.

THE WITNESS: Ronan Murphy from
AMCK Aviation.

THE VIDEOGRAPHER: Will the
Court Reporter please swear in the
witness?

R O N A N M U R P H Y, called as a
witness, having been first duly sworn by a
Notary Public of the State of New York, was
examined and testified as follows:

THE COURT REPORTER: Can I
kindly have your name, spelling,
please?

THE WITNESS: Ronan Murphy,
that's, R-O-N-A-N M-U-R-P-H-Y.

THE COURT REPORTER: Can I
kindly have your address, sir?

THE WITNESS: It's 25 The Old
Gold Links, Malahide, Dublin K36HK88.

THE COURT REPORTER: Any time
you're ready, Mr. Hosenpud.

EXAMINATION BY.

MR. HOSENPUD:

RONAN MURPHY

record.

You may proceed.

Q. So, to clarify, Mr. Ronan, you are aware of selling leaseback agreements?

A. I am familiar with leaseback procedure.

Q. My questions to you to clarify was, first, as a predicate, you indicated that rent deferrals were given to airlines with credit -- internal credit ratings between 3 and above, correct?

A. I believe that to be correct.

Q. My question is now: Did any of those airlines have sale leaseback agreements that were going to be entered into in 2020?

A. I am not 100 percent sure on that.

Q. What do you understand the situation to be rather than a hundred percent?

A. I do not believe there was any airlines, but there may have been one and the timing of the potential leaseback is

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what I remain unclear of.

Q. And by "timing," it was 2020 or later?

A. My uncertainty is around whether we had that commitment with the airline that I am thinking of at that moment in time, I can't recall exactly.

Q. Let me ask it this way: Are you aware of any sale leaseback agreements whose terms were renegotiated in 2020?

A. I am aware of discussions of terms. I am not aware of any renegotiated and executed terms on any sale leaseback with any other airline in 2020.

Q. And when you said there were discussion, were there discussions with any airline other than Frontier?

A. I believe there were discussions with other airlines.

Q. How many?

A. To my understanding one or maybe two.

Q. And were any of those airlines in a tier of 3 or greater?

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2 A. Potentially one that I remain
3 uncertain of like your prior question would
4 have been in that range of creditor tier.
5 I -- sorry.

6 Q. Go ahead.

7 A. I just want to clarify that I
8 am not sure that we actually had any
9 standing leaseback commitment or agreement
10 with that them at that moment in time, it
11 is just potential and I am not a hundred
12 percent clear on timing.

13 Q. Who would be best suited to
14 know that information in your estimation?

15 A. I think from -- do you mean
16 just pure recollection rather than going
17 back through files, just fully
18 understanding?

19 Q. Yes.

20 A. I believe the -- I believe our
21 Chief Commercial Officer would probably be
22 probably the best person. Albeit, her
23 recollection of the exact moment two years
24 ago could be similar to mine.

25 Q. And that's Ms. O'Callaghan?

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2 than 0 and those that have cash for now
3 will have to be pushed to May and June if
4 possible."

5 Did I read that accurately?

6 A. You did read that accurately.

7 Q. Was that your proposal in terms
8 of the recommendation to look more
9 favorably on those seeking to pay 50
10 percent rather than nothing?

11 A. I don't remember sending this
12 e-mail at that exact time. I would agree
13 that anything in here would appear to be my
14 view.

15 Q. And do you know if AMCK
16 Aviation was granting deferrals where
17 airlines paid no rent for a given month?

18 A. Yes, we were.

19 Q. You go on to state:

20 "The airlines will no doubt
21 resist this and say we need it now, but we
22 need to firm as best we can. We should not
23 let any more than 25 to 30 percent of our
24 monthly revenue cash flows be in deferral
25 if we can."

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2 Q. Did, in fact, 50 to 60 percent
3 of the carriers come back in three months
4 seeking another extension?

5 A. I do not know the answer to
6 that. I never went to check after.

7 Q. Do you know if any airlines
8 received a second extension?

9 A. Some airlines might have
10 received second extensions or did -- sorry,
11 I know that we did grant extensions on some
12 deferral.

13 Q. A second extension?

14 A. Well, the official deferral
15 being the first?

16 Q. Yes.

17 A. Yeah.

18 Q. Correct.

19 A. Then yes.

20 Q. Okay.

21 A. Second in that definition is
22 how I understand that.

23 Q. Fair enough.

24 And do you know if any airlines
25 received three extensions, including the

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first deferral?

A. Yes, I do know.

Q. How many?

A. I do not know the exact number.

Q. Okay. Let's look -- let's look now to the native section.

(Witness complies.)

Q. And there's a reference to Frontier.

Are you there?

A. I am.

Q. And there's retractions above Frontier's name so other airlines have been listed, but their information is not showing.

And it shows there are dates across the top, March -- pardon me -- there are months across the top, March through August. And in Frontier's category in March, it says 270,000.

To what does that refer, if you know?

A. I do not know.

Q. How about April, 550,000, do

RONAN MURPHY

C E R T I F I C A T E

STATE OF NEW YORK)
: SS.:
COUNTY OF NEW YORK)

I, KARYN CHIOUSANO, a Notary Public
for and within the State of New York, do
hereby certify:

That the witness whose examination is
hereinbefore set forth was duly sworn and
that such examination is a true record of
the testimony given by that witness.

I further certify that I am not
related to any of the parties to this
action by blood or by marriage and that I
am in no way interested in the outcome of
this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 30th day of March, 2022.



KARYN CHIOUSANO